bank claimed reimbursement from the defendant who had sold the property unencumbered. *Held*, that the bank is not entitled to relief. *Title Guarantee & Trust Co.* v. *Haven*, 139 N. Y. Supp. 207 (Sup. Ct., App. Div.). See NOTES, p. 634.

BILLS AND NOTES — PURCHASERS FOR VALUE WITHOUT NOTICE — KNOWLEDGE OF A CORPORATION AS NOTICE TO ITS OFFICERS. — The plaintiff, who held the position of president in a bank, but took no active part in its affairs, bought of the bank without actual notice of any defect a promissory note given to the bank by the maker without consideration. *Held*, that the plaintiff is not a holder in due course. *McCarty* v. *Kepreta*, 139 N. W. 992 (N. D.).

Actual knowledge is necessary to constitute notice under § 56 of the Negotiable Instruments Law, but this section must be construed in the light of the common-law principles of which it is declaratory. *Cf. Schlesinger* v. *Lehmaier*, 191 N. Y. 69, 83 N. E. 657. On principles of agency the knowledge of an officer or agent of a corporation, as to a transaction carried out by him in the scope of his employment, is the knowledge of the corporation for the purpose of charging it with liability. *National Security Bank* v. *Cushman*, 121 Mass. 490; *Twenty-Sixth Ward Bank* v. *Stearns*, 148 N. Y. 515, 42 N. E. 1050. Nor can a corporation do acts through ignorant agents and escape the consequence of its own knowledge. *Mechanics' Bank of Alexandria* v. *Seton*, 1 Pet. (U. S.) 299; *Curtice* v. *Crawford County Bank*, 118 Fed. 390. But no principle of agency can impute to the agent the knowledge of his principal and make him personally responsible for it. The officers have perhaps a duty to be conversant with the corporation affairs; but it seems unjust that an officer, who gratuitously furnishes his name, aid, and valuable advice should be compelled to follow the corporate business in detail, or that the law should do more than create a presumption that he is conversant with it. *Proctor* v. *Baldwin*, 82 Ind. 370; *Briggs* v. *Spaulding*, 141 U. S. 132, 11 Sup. Ct. 924. *Contra*, *Merchants' Bank* v. *Rudolph*, 5 Neb. 527. See *Gillet* v. *Phillips*, 13 N. Y. 114, 117. Further, mere negligence in not knowing will not affect a purchaser of a negotiable instrument with notice. *American National Bank* v. *Lundy*, 21 N. D. 167, 129 N. W. 99. It is submitted, therefore, that the decision in the principal case is incorrect.

BILLS AND NOTES — PURCHASERS FOR VALUE WITHOUT NOTICE — PAYEE AS PURCHASER FOR VALUE UNDER THE NEGOTIABLE INSTRUMENTS LAW. — The defendant was induced by fraud of the maker to sign promissory notes as surety. The maker then delivered the notes to the payee, who paid value without notice of the fraud. Under section 52 of the Negotiable Instruments Law one of the requisites of a holder in due course is "that at the time it was negotiated to him he had no notice of any infirmity in the instrument or defect in the title of the person negotiating it." Section 30 provides: "An instrument is negotiated when it is transferred from one person to another in such manner as to constitute the transferee the holder thereof. If payable to bearer it is negotiated by delivery; if payable to order it is negotiated by the indorsement of the holder completed by delivery." *Held*, that the payee cannot be a holder in due course. *Stone* v. *Goldberg & Lewis*, 60 So. 744 (Ala.).

The principal case seems correct in holding that by a fair construction of section 52 an instrument must be negotiated to the transferee in order to render him a holder in due course. But see *Boston Steel & Iron Co.* v. *Steuer*, 183 Mass. 140, 66 N. E. 646. The further question arises whether transferring a note to the payee is a negotiation within section 30. Under section 20 of the English Bills of Exchange Act and section 14 of the Negotiable Instruments Law, both providing expressly that under certain circumstances an instrument must be negotiated to a holder in due course in order to render the maker liable,